DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

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•STATE OF MONTANA

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Date: January 12, 2010

To: Interested Parties

From: Mary Sexton, Director

Re: Cabinsite Lease Rate Alternative 3B and Rulemaking

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The Land Board approved a set of draft rules that will implement Alternative 3B at the December 21, 2009, meeting. The administrative rules Notice of Proposal (MAR 36-22-143) was filed with the Secretary of State's Office on January 4, 2010. A copy of the notice is available on the DNRC website at http://dnrc.mt.gov/About_Us/notices.asp#AdminRules. People can also call the DNRC at 406-444-2074 or write to PO Box 201601, Helena MT 59620-1601 to request a copy of the rules.

DNRC is accepting written comments on these proposed rules until 5:00 p.m. on Thursday, February 11, 2010. Comments may be e-mailed to dnrccabins2009@mt.gov or mailed to DNRC Cabinsite Rules, PO Box 201601, Helena MT 59620-1601. Also, as part of the administrative rules process, two public hearings will be held at which comments may be given in person.

- Kalispell Red Lion, 20 North Main St, Tue. Wed. Feb. 3, 2010
 6:00 to 6:50 DNRC presentation and informal Q & A
 7:00 to 8:30– Formal hearing collection of comments
- Seeley Lake Community Hall, 3248 HWY 83, Thu. Feb. 4, 2010
 6:00 to 6:50 DNRC presentation and informal Q & A

7:00 to 8:30 – Formal hearing collection of comments

The public and lessees are welcome to drop in at any time during either hearing period, and it is not necessary to attend the entire hearing. There will, however, be a presentation by the DNRC at the beginning of each hearing along with an informal question and answer period before the formal comment period of each hearing.

The comments and the DNRC's responses—along with any revisions to the proposed rules—will be presented to the Land Board at the March 15 meeting. Following approval by the Land Board, the Notice of Adoption will be filed with the Secretary of State's Office, completing the rulemaking process.

Once the rules are adopted, new leases will have language that reflects the new rule language. Leases that renew in 2013 and later can sign a 2010 supplemental lease agreement (2010 SLA) to use the Alternative 3B lease fee calculations. If lessees opt not to sign the 2010 SLA, or don't respond to the 2010 SLA mailing, the lease fee will be calculated per the existing terms of the lease at five percent of the 2009 Montana Department of Revenue (DOR) appraised value.

Current cabinsite information and the new payment calculator can be found on the DNRC website at http://www.dnrc.mt.gov/cabinsite/LeaseFeeFAQ.asp. For Land Board information and updates, you can visit http://dnrc.mt.gov/About_Us/meetings.asp#lb.